

Adopted	Rejected
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## COMMITTEE REPORT

YES:	7
NO:	0

### MR. SPEAKER:

*Your Committee on **Public Policy**, to which was referred House Bill 1392, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1       Page 3, line 32, strike "section" and insert "**subsection**".
- 2       Page 4, line 18, strike "retailers" and insert "**retailer's**".
- 3       Page 4, delete lines 29 through 42, begin a new paragraph and
- 4       insert:
- 5       "**(j) After May 31, 2007, the commission may issue not more**
- 6       **than five (5) three-way permits for the sale of alcoholic beverages**
- 7       **for on premises consumption to an applicant who will locate as the**
- 8       **proprietor, as owner or lessee, or both, of a restaurant within an**
- 9       **economic development area under IC 36-7-14 in a town with a**
- 10       **population of more than twenty thousand (20,000) located in a**
- 11       **county having a population of more than ninety thousand (90,000)**
- 12       **but less than one hundred thousand (100,000). A permit issued**
- 13       **under this subsection may not be issued to a tavern. For purposes**
- 14       **of this subsection, "tavern" means a permit premises that meets**

the definition of restaurant under IC 7.1-3-20-9, but is used primarily for the serving of alcoholic beverages by the drink to the general public, and where food service is secondary to the primary use in the amount of sales and the service area where minors are not permitted. A permit issued under this subsection may not be transferred to a location outside the economic development area. If the commission issues five (5) new permits under this subsection and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed five (5) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars (\$35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars (\$1,350). If, after the 2010 decennial census, the town is authorized by the quota provisions of IC 7.1-3-22 to receive additional three-way permits, any three-way permits issued under this subsection shall be subtracted from any additional three-way permits that the town may be authorized to receive by the quota provisions.

(k) After June 30, 2007, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within:

(1) a town:

(A) that:

(i) has a population of more than twenty-four thousand eight hundred (24,800) but less than thirty thousand (30,000); and

(ii) contains a part of a state nature preserve that is also a National Natural Landmark and is between four hundred (400) and six hundred (600) acres in area; and

(B) that has a downtown area with:

(i) a boundary along the Old Lincoln Highway; and

(ii) boundaries further defined by the town legislative

1                   body;  
 2           (2) an economic development area, an area needing  
 3           redevelopment, or a redevelopment district under IC 36-7-14  
 4           and whose proposed permit premises are located in an area  
 5           that:

6                   (A) consists of total of at least twenty-five (25) contiguous  
 7                   or nearly contiguous acres of property dedicated solely to  
 8                   a new commercial development;

9                   (B) is within three thousand (3,000) feet from the north  
 10                  boundary of the town; and

11                  (C) is adjacent to a state or federal highway that runs in a  
 12                  northerly and southerly direction.

13       The commission may issue not more than eight (8) permits to  
 14       applicants who are eligible to hold a permit under subdivision (2);  
 15       however, not more than four (4) permits may be issued within the  
 16       same commercial development. The commission may issue not  
 17       more than one (1) permit to an applicant whose proposed permit  
 18       premises are located within the downtown area of the town  
 19       described in subdivision (1)(B). The commission may issue not more  
 20       than one (1) additional permit to an applicant whose permit  
 21       premises is located within the downtown area of the town  
 22       described in subdivision (1)(B), or an area described in subdivision  
 23       (2); however, the town legislative body must support the issuance  
 24       of the permit at the proposed location. A permit issued under this  
 25       subsection may not be issued to a tavern. For purposes of this  
 26       subsection, "tavern" means a permit premises that meets the  
 27       definition of restaurant under IC 7.1-3-20-9, but is used primarily  
 28       for the serving of alcoholic beverages by the drink to the general  
 29       public, and where food service is secondary to the primary use in  
 30       the amount of sales and the service area where minors are not  
 31       permitted. The commission shall conduct an auction of the permits  
 32       under IC 7.1-3-22-9, except that the auction may be conducted at  
 33       any time as determined by the commission. Notwithstanding any  
 34       other law, the minimum bid for an initial license under this  
 35       subsection is thirty-five thousand dollars (\$35,000). A permit issued  
 36       under this subsection to premises within the downtown area of the  
 37       town may not be transferred to a location outside the downtown  
 38       area. A permit issued under this subsection to an area described in

subdivision (2) may not be transferred to a location outside the area described in subdivision (2). If the commission issues ten (10) new permits under this subsection and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed ten (10) at any time. If, after the 2010 decennial census, the town is authorized by the quota provisions of IC 7.1-3-22 to receive additional three-way permits, any three-way permits issued under this section shall be subtracted from any additional three-way permits that the town may be authorized to receive by the quota provisions. A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3..

(l) After June 30, 2007, the commission may issue a total of not more than ten (10) new three-way permits to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant located within a redevelopment project area located within the central area of a city with a population of more than thirty-seven thousand seven hundred (37,700) but less than thirty-eight thousand (38,000). A permit may be issued under this subsection to premises within a redevelopment project area that meets one (1) of the following requirements:

(1) The redevelopment project area consists of an area that:

(A) is generally located in a former commercial area that once had located within it a building formerly used as a grocery store;

(B) has been redeveloped or renovated or is in the process of being redeveloped or renovated to include performing arts areas and hotel areas;

(C) is a city center, where a former historic railway that once passed through the center has been converted to a linear park; and

(D) has been redeveloped or renovated or is in the process of being redeveloped or renovated, with the redevelopment or renovation being funded in part with grants or investments by a city redevelopment commission established under IC 36-7-14.

**(2) The redevelopment project area consists of an area that:**

**(A) is generally located in an area:**

- (i) that was formerly the commerce center of a once rural farming community;**
- (ii) that was founded, at least in part, by Quaker residents;**
- (iii) where a historic railway depot was built; and**
- (iv) where an early residence exists that was built about 1848 or earlier;**

**(B) has been redeveloped or renovated or is in the process of being redeveloped or renovated to include art galleries, design centers, urban structures, and outdoor public art consisting in part of bronze sculptures;**

**(C) is adjacent to or nearby a former historic railway line that has been converted to a linear park;**

**(D) includes one (1) of the world's smallest children's art galleries, an original Carnegie Library building, and the community's early fire station; and**

**(E) has been redeveloped or renovated, or is in the process of being redeveloped or renovated, with the redevelopment or renovation being funded in part with grants or investments by a city redevelopment commission established under IC 36-7-14.**

**A permit issued under this subsection may not be issued to a tavern. For purposes of this subsection, "tavern" means a permit premises that meets the definition of restaurant under IC 7.1-3-20-9, but is used primarily for the serving of alcoholic beverages by the drink to the general public, and where food service is secondary to the primary use in the amount of sales and the service area where minors are not permitted. A permit issued under this subsection may not be transferred to a location outside the redevelopment project area. If the commission issues ten (10) permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit as long as the total number of active permits issued under this subsection does not exceed ten (10) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at**

any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars (\$35,000). If, after the 2010 decennial census, the city is authorized by the quota provisions of IC 7.1-3-22 to receive additional three-way permits, any three-way permits issued under this section shall be subtracted from any additional three-way permits that the city may be authorized to receive by the quota provisions.

(m) After May 1, 2007, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises and off-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than one thousand five hundred (1,500) feet of a district, that meets the following requirements:

(1) The district is located in a city with a population of more than forty-six thousand five hundred (46,500) but less than fifty thousand (50,000).

(2) A toll road is located in the district.

(3) The one thousand five hundred (1,500) feet of property surrounding the toll road includes significant acres of undeveloped land available in the area that may be used for regional economic development activity.

A permit issued under this subsection may not be issued to a tavern. For purposes of this subsection, "tavern" means a permit premises that meets the definition of restaurant under IC 7.1-3-20-9, but is used primarily for the serving of alcoholic beverages by the drink to the general public, and where food service is secondary to the primary use in the amount of sales and the service area where minors are not permitted. A permit issued under this subsection may not be transferred to a location outside the district, or the area that is not more than one thousand five hundred (1,500) feet from the district. If the commission issues ten (10) new permits under this subsection and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed ten (10) at any time. The commission shall conduct an auction of the permits

1       under IC 7.1-3-22-9, except that the auction may be conducted at  
2       any time as determined by the commission. Notwithstanding any  
3       other law, the minimum bid for an initial license under this  
4       subsection is thirty-five thousand dollars (\$35,000). If, after the  
5       2010 decennial census, the city is authorized by the quota  
6       provisions of IC 7.1-3-22 to receive additional three-way permits,  
7       any three-way permits issued under this section shall be subtracted  
8       from any additional three-way permits that the city may be  
9       authorized to receive by the quota provisions."

10       Delete page 5.

(Reference is to HB 1392 as introduced.)

**and when so amended that said bill do pass.**

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Representative Van Haaften